



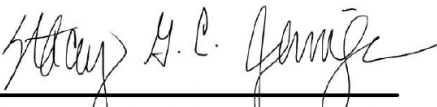
CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

**ENTERED**

THE DATE OF ENTRY IS ON  
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed April 4, 2023

  
United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,<sup>1</sup>

Reorganized Debtor.

MARC S. KIRSCHNER, AS LITIGATION  
TRUSTEE OF THE LITIGATION SUB-TRUST,

Plaintiff,

v.

JAMES D. DONDERO; MARK A. OKADA;  
SCOTT ELLINGTON; ISAAC LEVENTON;  
GRANT JAMES SCOTT III; STRAND  
ADVISORS, INC.; NEXPOINT ADVISORS,  
L.P.; HIGHLAND CAPITAL MANAGEMENT  
FUND ADVISORS, L.P.; DUGABOY  
INVESTMENT TRUST AND NANCY  
DONDERO, AS TRUSTEE OF DUGABOY

Chapter 11

Case No. 19-34054-sgj11

Adv. Pro. No. 21-03076-sgj

<sup>1</sup> The last four digits of the Reorganized Debtor's taxpayer identification number are (8357). The Reorganized Debtor is a Delaware limited partnership. The Reorganized Debtor's headquarters and service address are 100 Crescent Court, Suite 1850, Dallas, TX 75201.

INVESTMENT TRUST; GET GOOD TRUST  
AND GRANT JAMES SCOTT III, AS  
TRUSTEE OF GET GOOD TRUST; HUNTER  
MOUNTAIN INVESTMENT TRUST; MARK &  
PAMELA OKADA FAMILY TRUST –  
EXEMPT TRUST #1 AND LAWRENCE  
TONOMURA AS TRUSTEE OF MARK &  
PAMELA OKADA FAMILY TRUST –  
EXEMPT TRUST #1; MARK & PAMELA  
OKADA FAMILY TRUST – EXEMPT TRUST  
#2 AND LAWRENCE TONOMURA IN HIS  
CAPACITY AS TRUSTEE OF MARK &  
PAMELA OKADA FAMILY TRUST –  
EXEMPT TRUST #2; CLO HOLDCO, LTD.;  
CHARITABLE DAF HOLDCO, LTD.;  
CHARITABLE DAF FUND, LP.; HIGHLAND  
DALLAS FOUNDATION; RAND PE FUND I,  
LP, SERIES 1; MASSAND CAPITAL, LLC;  
MASSAND CAPITAL, INC.; AND SAS ASSET  
RECOVERY, LTD.,

Defendants.

**ORDER GRANTING THE LITIGATION TRUSTEE'S  
MOTION TO STAY THE ADVERSARY PROCEEDING**

Having considered the *Motion to Stay the Adversary Proceeding* (the “Motion”)<sup>2</sup> filed by Marc S. Kirschner (the “Litigation Trustee”), the Litigation Trustee of the Litigation Sub-Trust established pursuant to the *Fifth Amended Plan of Reorganization of Highland Capital Management, L.P. (as Modified)* [Bankr. Dkt. 1808]<sup>3</sup> (as amended, the “Plan”) and plaintiff in the above-captioned adversary proceeding (the “Adversary Proceeding”), the Court finds and concludes (i) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) notice of the Motion was sufficient under the circumstances; and (c) good cause exists to grant the relief requested in the Motion. Accordingly, **IT IS THEREFORE ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.

---

<sup>2</sup> Capitalized terms not otherwise defined in this Order shall have the meanings given them in the Motion.

<sup>3</sup> “Bankr. Dkt.” refers to the docket maintained in Case No. 19-34054-sgj11 (Bankr. N.D. Tex.).

2. All proceedings in the Adversary Proceeding, including the *Motion to Recuse Pursuant to 18 U.S.C. §§ 144 and 455 [Dkt. No. 309]*, are hereby **STAYED** through and including September 30, 2023, which stay will continue thereafter until any party to the Adversary Proceeding provides 30 days' written notice to all other parties and the Court of their intent to resume the Adversary Proceeding.

3. Unless otherwise agreed by the Parties, the schedule set forth in the revised Scheduling Order filed with the Court on March 24, 2023, shall apply if the stay expires and the litigation has not been resolved, with the time periods extended commensurate with the period of the stay.

4. The *Motion to Stay and Response to Plaintiff's Motion to Stay* filed by Defendants James D. Dondero, Strand Advisors, Inc., Dugaboy Investment Trust, and Get Good Trust [**Dkt. No. 329**] is deemed WITHDRAWN based on counsel's representations to the Court.

5. All other objections and responses to the Motion including the *Response to the Litigation Trustee's Motion to Stay the Adversary Proceeding* filed by Defendants CLO Holdco, Ltd.; Charitable DAF Holdco, Ltd.; Charitable DAF Fund, LP; and Highland Dallas Foundation, Inc. [**Dkt. No. 332**]; and the *Joinder of Defendants NexPoint Advisors, L.P. and Highland Capital Management Fund Advisors, L.P. to Defendants James D. Dondero, Dugaboy Investment Trust, Get Good Trust, and Strand Advisors, Inc.'s Cross-Motion to Stay and Response to Plaintiff's Motion to Stay* [**Dkt. No. 331**], are also deemed WITHDRAWN based on counsel's representations to the Court.

6. Nothing in this Order shall be construed as a stay of the adjudication of the objections to this Court's *Report and Recommendation to the District Court Proposing that it: (A) Grant Defendants' Motions to Withdraw the Reference at Such Time as the Bankruptcy Court*

*Certifies that Action is Trial Ready; But (B) Defer Pre-Trial Matters to the Bankruptcy Court,*  
which are pending in the United States District Court of the Northern District of Texas in Case  
No. 22-cv-203-S.

7. The Defendant Parties will use good faith efforts to obtain agreements from subpoenaed third parties that objections to and compliance with those subpoenas are all tolled for the period of the stay, with documents to be preserved, and that new subpoenas will not be necessary if and when the stay is terminated. If such agreements cannot be obtained, the subpoenaing party(ies) may elect to pursue the outstanding discovery. The Defendant Parties shall notify Plaintiff's counsel if they are unable to reach an agreement with any such third-party.

8. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

**### END OF ORDER ###**

Kirschner,  
Plaintiff  
Dondero,  
Defendant

Adv. Proc. No. 21-03076-sgj

## CERTIFICATE OF NOTICE

District/off: 0539-3

User: admin

Page 1 of 4

Date Rcvd: Apr 04, 2023

Form ID: pdf001

Total Noticed: 12

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Apr 06, 2023:

Recip ID	Recipient Name and Address
aty	+ Aaron M. Lawrence, Quinn Emanuel Urquhart & Sullivan LLP, 51 Madison Ave., Floor 22, New York, NY 10010-1603
aty	+ Amy L. Ruhland, DLA Piper LLP (US), 303 Colorado Street, Ste. 300, Austin, TX 78701-4654
aty	+ Amy L. Ruhland, 303 Colorado Street, Ste. 300, Austin, TX 78701-4653
aty	+ Anna Deknatel, Quinn Emanuel Urquhart & Sullivan LLP, 51 Madison Ave., Floor 22, New York, NY 10010-1603
aty	+ Jason M. Hopkins, DLA Piper LLP (US), 1900 N. Pearl Street., Ste. 2200, Dallas, TX 75201-2482
aty	+ Jeremy A. Root, Stinson LLP, 230 W. McCarty Street, Jefferson City, MO 65101-1553
dft	+ Highland Capital Management Fund Advisors, L.P., K&LGates LLP, c/o Stephen G. Topetztes, 1600 K Street, NW, Washington, DC 20006-2806
dft	+ Hunter Mountain Investment Trust, c/o E. P. Keiffer, Rochelle McCullough, LLP, 325 North St. Paul St., Suite 4500, Dallas, TX 75201-3827
dft	+ NexPoint Advisors, L.P., K&L Gates LLP, c/o Stephen G. Topetztes, 1600 K Street, NW, Washington, DC 20006-2806

TOTAL: 9

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
ust	+ Email/Text: ustpreion06.da.ecf@usdoj.gov	Apr 04 2023 21:16:00	United States Trustee, 1100 Commerce Street, Room 976, Dallas, TX 75242-0996
ust	+ Email/Text: ustpreion07.au.ecf@usdoj.gov	Apr 04 2023 21:16:00	United States Trustee - AU12, United States Trustee, 903 San Jacinto Blvd, Suite 230, Austin, TX 78701-2450
dft	+ Email/Text: neil.orleans@judithwross.com	Apr 04 2023 21:16:00	CPCM, LLC, c/o Ross & Smith, PC, Attn: Frances A. Smith, 700 N. Pearl Street, Suite 1610, Dallas, TX 75201-7459

TOTAL: 3

## BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, \*duplicate of an address listed above, \*P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
dft		SAS ASSET RECOVERY, LTD
crc	*+	Hunter Mountain Investment Trust, c/o E. P. Keiffer, Rochelle McCullough, LLP, 325 North St. Paul St., Suite 4500, Dallas, TX 75201-3827

TOTAL: 1 Undeliverable, 1 Duplicate, 0 Out of date forwarding address

## NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

District/off: 0539-3

User: admin

Page 2 of 4

Date Rcvd: Apr 04, 2023

Form ID: pdf001

Total Noticed: 12

**Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Apr 06, 2023

Signature: /s/Gustava Winters

## CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on April 4, 2023 at the address(es) listed below:

Name	Email Address
Brian D. Glueckstein	on behalf of Defendant MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #1 AND LAWRENCE TONOMURA AS TRUSTEE OF MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #1 gluecksteinb@sullcrom.com
Brian D. Glueckstein	on behalf of Defendant MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #2 AND LAWRENCE TONOMURA IN HIS CAPACITY AS TRUSTEE OF MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #2 gluecksteinb@sullcrom.com
Brian D. Glueckstein	on behalf of Defendant Mark Okada gluecksteinb@sullcrom.com
Cameron A. Fine	on behalf of Cross-Claimant Hunter Mountain Investment Trust cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Defendant DUGABOY INVESTMENT TRUST AND NANCY DONDERO AS TRUSTEE OF DUGABOY INVESTMENT TRUST cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Defendant GET GOOD TRUST AND GRANT JAMES SCOTT III AS TRUSTEE OF GET GOOD TRUST cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Defendant James D. Dondero cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Cross-Claimant RAND PE FUND I LP, SERIES 1 cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Defendant STRAND ADVISORS INC cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Defendant RAND PE FUND I LP, SERIES 1 cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Defendant Hunter Mountain Investment Trust cameron.fine@us.dlapiper.com
Cameron A. Fine	on behalf of Cross Defendant DUGABOY INVESTMENT TRUST AND NANCY DONDERO AS TRUSTEE OF DUGABOY INVESTMENT TRUST cameron.fine@us.dlapiper.com
Christopher J. Akin	on behalf of Defendant Isaac Leventon cakin@lynnllp.com cbaker@lynnllp.com
Christopher J. Akin	on behalf of Defendant Scott Ellington cakin@lynnllp.com cbaker@lynnllp.com
Cortney C. Thomas	on behalf of Defendant MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #1 AND LAWRENCE TONOMURA AS TRUSTEE OF MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #1 cort@brownfoxlaw.com korourke@brownfoxlaw.com
Cortney C. Thomas	on behalf of Defendant Mark Okada cort@brownfoxlaw.com korourke@brownfoxlaw.com
Cortney C. Thomas	on behalf of Defendant MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #2 AND LAWRENCE TONOMURA IN HIS CAPACITY AS TRUSTEE OF MARK & PAMELA OKADA FAMILY TRUST EXEMPT TRUST #2 cort@brownfoxlaw.com korourke@brownfoxlaw.com
Deborah Rose Deitsch-Perez	on behalf of Defendant Highland Capital Management Fund Advisors L.P. deborah.deitschperez@stinson.com, patricia.tomasky@stinson.com;kinga.mccoy@stinson.com

District/off: 0539-3

User: admin

Page 3 of 4

Date Rcvd: Apr 04, 2023

Form ID: pdf001

Total Noticed: 12

Deborah Rose Deitsch-Perez

on behalf of Defendant NexPoint Advisors L.P. deborah.deitschperez@stinson.com,  
patricia.tomasky@stinson.com;kinga.mccoy@stinson.com

Debra A Dandeneau

on behalf of Defendant CPCM LLC debra.dandeneau@bakermckenzie.com, blaire.cahn@bakermckenzie.com

Debra A Dandeneau

on behalf of Defendant Isaac Leventon debra.dandeneau@bakermckenzie.com blaire.cahn@bakermckenzie.com

Debra A Dandeneau

on behalf of Defendant Scott Ellington debra.dandeneau@bakermckenzie.com blaire.cahn@bakermckenzie.com

Debra A Dandeneau

on behalf of Defendant Frank Waterhouse debra.dandeneau@bakermckenzie.com blaire.cahn@bakermckenzie.com

Jason Michael Hopkins

on behalf of Defendant James D. Dondero jason.hopkins@dlapiper.com  
jen.westin@dlapiper.com;jason-hopkins-2248@ecf.pacerpro.com

Jason Michael Hopkins

on behalf of Defendant DUGABOY INVESTMENT TRUST AND NANCY DONDERO AS TRUSTEE OF DUGABOY  
INVESTMENT TRUST jason.hopkins@dlapiper.com, jen.westin@dlapiper.com;jason-hopkins-2248@ecf.pacerpro.com

Jason Michael Hopkins

on behalf of Defendant Hunter Mountain Investment Trust jason.hopkins@dlapiper.com  
jen.westin@dlapiper.com;jason-hopkins-2248@ecf.pacerpro.com

Jason Michael Hopkins

on behalf of Defendant GET GOOD TRUST AND GRANT JAMES SCOTT III AS TRUSTEE OF GET GOOD TRUST  
jason.hopkins@dlapiper.com, jen.westin@dlapiper.com;jason-hopkins-2248@ecf.pacerpro.com

Jason Michael Hopkins

on behalf of Defendant RAND PE FUND I LP, SERIES 1 jason.hopkins@dlapiper.com,  
jen.westin@dlapiper.com;jason-hopkins-2248@ecf.pacerpro.com

Jason Michael Hopkins

on behalf of Defendant STRAND ADVISORS INC jason.hopkins@dlapiper.com,  
jen.westin@dlapiper.com;jason-hopkins-2248@ecf.pacerpro.com

John J. Kane

on behalf of Defendant Grant James Scott III jkane@krcl.com ecf@krcl.com;jkane@ecf.courtdrive.com

Juliana Hoffman

on behalf of Plaintiff Marc Kirschner jhoffman@sidley.com  
txefilingnotice@sidley.com;julianna-hoffman-8287@ecf.pacerpro.com

Kevin Perkins

on behalf of Defendant MASSAND CAPITAL INC. kperkins@vanacourperkins.com

Kevin Perkins

on behalf of Defendant MASSAND CAPITAL LLC kperkins@vanacourperkins.com

Louis M. Phillips

on behalf of Defendant Charitable DAF Fund LP louis.phillips@kellyhart.com,  
june.alcantara-davis@kellyhart.com;Amelia.Hurt@kellyhart.com

Louis M. Phillips

on behalf of Defendant CLO HOLDCO LTD.; CHARITABLE DAF HOLDCO, LTD. louis.phillips@kellyhart.com,  
june.alcantara-davis@kellyhart.com;Amelia.Hurt@kellyhart.com

Louis M. Phillips

on behalf of Defendant Highland Dallas Foundation Inc. louis.phillips@kellyhart.com,  
june.alcantara-davis@kellyhart.com;Amelia.Hurt@kellyhart.com

Margaret Michelle Hartmann

on behalf of Defendant Frank Waterhouse michelle.hartmann@bakermckenzie.com

Margaret Michelle Hartmann

on behalf of Defendant Scott Ellington michelle.hartmann@bakermckenzie.com

Margaret Michelle Hartmann

on behalf of Defendant CPCM LLC michelle.hartmann@bakermckenzie.com

Margaret Michelle Hartmann

on behalf of Defendant Isaac Leventon michelle.hartmann@bakermckenzie.com

Melissa S. Hayward

on behalf of Debtor Highland Capital Management L.P. MHayward@HaywardFirm.com, mholmes@HaywardFirm.com

Michael P. Aigen

on behalf of Defendant Highland Capital Management Fund Advisors L.P. michael.aigen@stinson.com

District/off: 0539-3

User: admin

Page 4 of 4

Date Rcvd: Apr 04, 2023

Form ID: pdf001

Total Noticed: 12

Michael P. Aigen

on behalf of Defendant NexPoint Advisors L.P. michael.aigen@stinson.com

Paige Holden Montgomery

on behalf of Plaintiff Marc Kirschner pmontgomery@sidley.com  
txefilingnotice@sidley.com;paige-montgomery-7756@ecf.pacerpro.com;spencer.stephens@sidley.com;ebromagen@sidley.com;e  
filingnotice@sidley.com

Zachery Z. Annable

on behalf of Debtor Highland Capital Management L.P. zannable@haywardfirm.com

TOTAL: 45